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15 September, 2022

Company: DyDo Group Holdings, Inc.  
Representative: Tomiya Takamatsu, President  
(Code 2590 on the Tokyo Stock Exchange Prime Market)  
Inquiries: Naokazu Hasegawa, Corporate Officer  
and General Manager of Corporate Communication Department

## **Comprehensive Business Alliance Agreement Concerning Vending Machine Business with Asahi Soft Drinks Co., Ltd.**

### **-Establishment of Vending Machine Business Operating Company through Joint Share Transfer-**

DyDo DRINCO, Inc. (hereinafter “DyDo DRINCO”), a consolidated subsidiary of DyDo Group Holdings, Inc. (hereinafter “DyDo Group Holdings”), and Asahi Soft Drinks Co., Ltd. (hereinafter “Asahi Soft Drinks”), a consolidated subsidiary of Asahi Group Holdings, Ltd., (hereinafter “Asahi Group Holdings”), have entered into a comprehensive business alliance agreement for vending machine business with the aim of improving the corporate value of both companies.

※ Asahi Soft Drinks also makes an announcement on the same day. The company’s release is attached as (Reference material)

#### **1. Purpose of the Comprehensive Business Alliance**

DyDo DRINCO, which operates Domestic Beverage Business, DyDo Group’s core business, has set its “Where, and what, we want to be in 2030” as “In the vending machine market, we will provide new value through constantly taking on challenges and co-creating and so continue to lead the industry.” To achieve this goal, it has worked on further advancement of its smart operations\* by using cutting-edge technologies, and enhanced and expanded its vending machine network by promoting its customer-oriented sales strategy, to offer values to its customers through its vending machines, which are our “outlets”.

The COVID-19 pandemic has significantly changed the environment surrounding the vending machine market, and surging raw material prices and logistics costs have had a material impact on the business. This has led each company in the industry to implement a different vending machine strategy and increasingly intensifying the tendency towards oligopoly of a limited number of companies.

Under such an environment, DyDo DRINCO and Asahi Soft Drinks have decided to enter into a comprehensive business alliance agreement for vending machine business with the aim of growing and developing their vending machine businesses to improve the corporate values of both.

On the occasion of this comprehensive business alliance, DyDo DRINCO will pursue efficient and high-quality operations with its expertise in smart operations\*, while leveraging economies of scale through partnership with Asahi Soft Drinks, to establish a significant competitive advantage in the vending machine market.

\*A term coined by our company to describe a new productive workflow based on a drastic improvement of the operations.

## 2. Details of the Comprehensive Business Alliance

### (1) Pursue operational synergies from the integration of direct sales channels

In January 2023, DyDo DRINCO and Asahi Soft Drinks will make a co-investment to newly establish Dynamic Vending Network, Inc. (hereinafter “NewCo”), which will operate vending machine business. At the same time, NewCo will make its subsidiaries DyDo Beverage Service, Inc. (hereinafter “DyDo Beverage Service”), DyDo Beverage Shizuoka, Inc. (hereinafter “DyDo Beverage Shizuoka”), and DyDo Vending Japan, Inc. (hereinafter “DyDo Vending Japan”, and DyDo Beverage Service, DyDo Beverage Shizuoka and DyDo Vending Japan are collectively referred to as “Three DyDo DRINCO target subsidiaries”), which are DyDo DRINCO’s 100% subsidiaries, and Asahi Soft Drink Sales Co., Ltd. (hereinafter “Asahi Soft Drink Sales”), Kyushu Asahi Soft Drink Sales, Ltd. (hereinafter “Kyushu Asahi Soft Drink Sales”), and Michinoku, Ltd. (hereinafter “Michinoku”, and Asahi Soft Drink Sales, Kyushu Asahi Soft Drink Sales, and Michinoku are collectively referred to as “Three Asahi Soft Drinks target subsidiaries”), which are Asahi Soft Drinks’ 100% subsidiaries. NewCo will operate the direct sales channels of its six subsidiaries integrally as a consolidated subsidiary of DyDo DRINCO, and will develop smart operations utilizing IoT technology, in which DyDo DRINCO has expertise, to not only improve operational speed, quality control capabilities, and productivity, but also to solve the issues of future labor shortages and keeping personnel by reducing workloads.

#### 【Overview of NewCo】

1. Company Name	Dynamic Vending Network, Inc.
2. Location	2-2-7 Nakanoshima, Kita-ku, Osaka, Japan
3. Representative and Title	Katsuji Kasai, President and Representative Director (Director and Corporate Officer and General Manager of Corporate Strategy Department)
4. Business Description	Outsourcing / contracting vending machine operation services
5. Capital	JPY 50 million
6. Date of Foundation	23 January, 2023
7. Fiscal Period	20 January
8. Equity Position	DyDo DRINCO (66.6%), Asahi Soft Drinks (33.4%)

### (2) Expansion of customer contact points through cross-selling of products

DyDo DRINCO and Asahi Soft Drinks have been mutually distributing their main brands. “Mitsuya Cyder” and “Calpis Water” have been vended in DyDo DRINCO’s vending machines since March 2018, and “DyDo Blend Supervised by the World’s Top Barista\*” has been vended in Asahi Soft Drinks’ vending machines since March 2019.

“Wilkinson Lemon” and “Monster Energy” will be newly vended in DyDo DRINCO’s vending machines, and “DyDo Blend Demitasse Premium” will be newly vended in Asahi Soft Drinks’ vending machines from March 2023 onward. We will expand contact with customers of both companies’ core brands through mutual products distribution to further increase their drinking opportunities of our products and enhance the attractiveness of purchases from vending machines.

\*Production supervised by Pete Licata, 14th World Barista Champion

**(3) Reduce costs by OEM strategy**

DyDo DRINCO and Asahi Soft Drinks will continue to have discussions to reduce manufacturing costs by outsourcing the production of some of DyDo DRINCO brand products to Asahi Soft Drinks' plants around 2023 and beyond.

**(4) Reduce environmental impact through efficient resource recovery**

DyDo DRINCO and Asahi Soft Drinks will commit to efficient resource recovery and to solve social issues such as improving the horizontal recycling rate of PET bottles with the aim of reducing environmental impact.

**3. Overview of the Consolidated Subsidiary**

(1) Name	DyDo DRINCO, Inc.
(2) Address	2-2-7 Nakanoshima, Kita-ku, Osaka, Japan
(3) Name and title of representative	Takanori Nakashima, President and Representative Director
(4) Business	Sales of soft drinks, etc.
(5) Capital	JPY 350 million
(6) Date of establishment	February, 2016
(7) Major shareholders and their ownership stakes	DyDo Group Holdings: 100%

**4. Overview of the Partner with which the comprehensive business alliance will be concluded**

(1) Name	Asahi Soft Drinks Co., Ltd.			
(2) Address	1-23-1 Azumabashi, Sumida-ku, Tokyo, Japan			
(3) Name and title of representative	Taichi Yoneme, President and Representative Director			
(4) Business	Sales of soft drinks, etc.			
(5) Capital	JPY 11,081 million			
(6) Date of establishment	March, 1982			
(7) Major shareholders and their ownership stakes	Asahi Group Japan, Ltd.: 100%			
(8) Relationship with publicly traded companies	There are no capital relationships, personnel relationships, or business transactions requiring disclosure between Asahi Soft Drinks and DyDo Group Holdings			
(9) Business results and financial position of Asahi Soft Drinks over the most recent three years	Unit: Millions of JPY			
	Fiscal year ended	December 2019	December 2020	December 2021
	Net assets	97,102	82,091	109,817
	Total assets	243,707	229,778	265,346
	Net Sales	482,972	464,361	470,353
	Operating profit/loss	24,235	20,213	24,359
	Ordinary profit/loss	25,507	20,784	26,242
	Net profit/loss	17,710	16,810	44,005

## 5. Overview of the six companies that will become part of NewCo

### (1) DyDo Beverage Service, Inc.

(1) Name	DyDo Beverage Service, Inc.		
(2) Address	2-2-7 Nakanoshima, Kita-ku, Osaka, Japan		
(3) Name and title of representative	Kenichi Oohori, President and Representative Director		
(4) Business	Consignment sales of soft drinks, etc.		
(5) Capital	JPY 50 million		
(6) Date of establishment	June, 2003		
(7) Major shareholders and their ownership stakes	DyDo DRINCO: 100%		
(8) Relationship with publicly traded companies	Capital relationships	DyDo Group Holdings owns 100% of DyDo Beverage Service's shares.	
	Personal relationships	One director and one executive officer of DyDo Group Holdings also serve as DyDo Beverage Service director.	
	Business transactions	DyDo Group Holdings engages in transactions such as loans with DyDo Beverage Service and business management of DyDo Beverage Service.	
	Applicability of related parties	Not applicable	
(9) Business results and financial position of DyDo Beverage Service over the most recent three years Unit: Millions of JPY			
Fiscal year ended	January 2020	January 2021	January 2022
Net assets	404	720	1,419
Total assets	2,414	2,778	3,720
Net assets per share (JPY)	404,102.79	720,550.13	1,419,969.24
Net Sales	13,414	12,618	13,059
Operating profit/loss	690	537	859
Ordinary profit/loss	696	547	856
Net profit/loss	802	316	699
Net profit/loss per share (JPY)	802,944.93	316,447.33	699,419.11
Dividend per share (JPY)	-	-	-

**(2) DyDo Beverage Shizuoka, Inc.**

(1) Name	DyDo Beverage Shizuoka, Inc.		
(2) Address	1-1 Tokumitsu, Fukuroi, Shizuoka		
(3) Name and title of representative	Toru Nagasawa, President and Representative Director		
(4) Business	Consignment sales of soft drinks, etc.		
(5) Capital	JPY 50 million		
(6) Date of establishment	August, 2002		
(7) Major shareholders and their ownership stakes	DyDo DRINCO: 100%		
(8) Relationship with publicly traded companies	Capital Relationships	DyDo Group Holdings owns 100% of DyDo Beverage Shizuoka's shares.	
	Personal relationships	One director and one executive officer of DyDo Group Holdings also serve as DyDo Beverage Shizuoka director.	
	Business transactions	DyDo Group Holdings engages in business management of DyDo Beverage Shizuoka.	
	Applicability of related parties	Not applicable	
(9) Business results and financial position of DyDo Beverage Shizuoka over the most recent three years	Unit: Millions of JPY		
Fiscal year ended	November 2019	November 2020	November 2021
Net assets	3,000	2,041	2,037
Total assets	3,698	2,751	2,692
Net assets per share (JPY)	3,000,118.20	2,041,637.28	2,037,326.57
Net Sales	4,223	3,860	3,783
Operating profit/loss	47	44	23
Ordinary profit/loss	85	65	55
Net profit/loss	55	41	35
Net profit/loss per share (JPY)	55,390.82	41,519.07	35,689.28
Dividend per share (JPY)	1,000,000	40,000	6,800

**(3) DyDo Vending Japan, Inc.**

(1) Name	DyDo Vending Japan, Inc.		
(2) Address	2887-2 Ryomitsuyanagi, Yonago, Tottori, Japan		
(3) Name and title of representative	Mitsuharu Noguchi, President and Representative Director		
(4) Business	Consignment sales of soft drinks, etc.		
(5) Capital	JPY 70 million		
(6) Date of establishment	March, 2016		
(7) Major shareholders and their ownership stakes	DyDo DRINCO: 100%		
(8) Relationship with publicly traded companies	Capital Relationships	DyDo Group Holdings owns 100% of DyDo Vending Japan's shares.	
	Personal relationships	One DyDo Group Holdings corporate officer also serve as DyDo Vending Japan director.	
	Business transactions	DyDo Group Holdings engages in business management of DyDo Vending Japan.	
	Applicability of related parties	Not applicable	
(9) Business results and financial position of DyDo Beverage Shizuoka over the most recent three years	Unit: Millions of JPY		
Fiscal year ended	October 2019	October 2020	October 2021
Net assets	121	118	83
Total assets	320	398	410
Net assets per share (JPY)	86,790.38	84,308.69	59,413.31
Net Sales	1,027	1,186	1,467
Operating profit/loss	(5)	(25)	(53)
Ordinary profit/loss	9	(3)	(17)
Net profit/loss	6	(3)	(34)
Net profit/loss per share (JPY)	4,489.35	(2,481.68)	(24,895.38)
Dividend per share (JPY)	-	-	-

**(4) Asahi Soft Drink Sales**

(1) Name	Asahi Soft Drink Sales Co., Ltd.		
(2) Address	14-12-7 Ueno, Taito-ku, Tokyo		
(3) Name and title of representative	President and Representative Director Genichiro Endo		
(4) Business	Sales of soft drinks by Vending Machine		
(5) Capital	JPY 100 million		
(6) Date of establishment	December, 2007		
(7) Major shareholders and their ownership stakes	Asahi Soft Drinks: 100%		
(8) Relationship with publicly traded companies	There are no capital relationships, personnel relationships, or business transactions requiring disclosure between Asahi Soft Drinks and DyDo Group Holdings		
(9) Business results and financial position of Asahi Soft Drinks over the most recent three years Unit: Millions of JPY			
Fiscal year ended	December 2019	December 2020	December 2021
Net assets	1,990	1,283	1,489
Total assets	7,129	6,092	6,468
Net assets per share (JPY)	100,530	64,810	75,223
Net Sales	37,902	32,881	32,893
Operating profit/loss	735	(506)	344
Ordinary profit/loss	737	(562)	338
Net profit/loss	415	(707)	206
Net profit/loss per share (JPY)	20,998	(35,719)	10,423
Dividend per share (JPY)	-	-	-



**(5) Kyushu Asahi Soft Drink Sales**

(1) Name	Kyushu Asahi Soft Drink Sales, Ltd.		
(2) Address	3-14-1 Beppu, Shime, Kasuya District, Fukuoka		
(3) Name and title of representative	President and Representative Director Hitoshi Sasaki		
(4) Business	Sales of soft drinks by Vending Machine		
(5) Capital	JPY 40 million		
(6) Date of establishment	October, 2009		
(7) Major shareholders and their ownership stakes	Asahi Soft Drinks: 100%		
(8) Relationship with publicly traded companies	There are no capital relationships, personnel relationships, or business transactions requiring disclosure between Kyushu Asahi Soft Drink Sales and DyDo Group Holdings		
(9) Business results and financial position of Asahi Soft Drinks over the most recent three years Unit: Millions of JPY			
Fiscal year ended	December 2019	December 2020	December 2021
Net assets	460	510	266
Total assets	959	904	770
Net assets per share (JPY)	287,715	318,873	166,045
Net Sales	3,212	2,936	2,875
Operating profit/loss	203	114	84
Ordinary profit/loss	205	115	91
Net profit/loss	109	50	56
Net profit/loss per share (JPY)	68,217	31,158	34,671
Dividend per share (JPY)	-	34,670	-

**(6) Michinoku**

(1) Name	Michinoku, Ltd.			
(2) Address	3-84 Mizusawa Industrial Park, Oshu, Iwate			
(3) Name and title of representative	President and Representative Director Akinori Ueno			
(4) Business	Sales of soft drinks by Vending Machine, Relocation of vending machines and maintenance and overhaul			
(5) Capital	JPY 30 million			
(6) Date of establishment	April, 1979			
(7) Major shareholders and their ownership stakes	Asahi Soft Drinks: 100%			
(8) Relationship with publicly traded companies	There are no capital relationships, personnel relationships, or business transactions requiring disclosure between Michinoku and DyDo Group Holdings			
(9) Business results and financial position of Asahi Soft Drinks over the most recent three years	Unit: Millions of JPY			
	Fiscal year ended	December 2019	December 2020	December 2021
Net assets		557	627	292
Total assets		1,098	1,130	891
Net assets per share (JPY)		185,550	208,885	97,348
Net Sales		3,522	3,238	3,220
Operating profit/loss		149	109	109
Ordinary profit/loss		152	111	111
Net profit/loss		112	70	65
Net profit/loss per share (JPY)		37,444	23,335	21,795
Dividend per share (JPY)		-	21,790	-

## 6. Summary of Joint Share Transfer

### (1) Schedule of Joint Share Transfer

Date of conclusion of the comprehensive business alliance agreement concerning vending machine business	September 15, 2022
Date of resolution of the share transfer plan at the meeting of the Board of Directors (each target subsidiary)	To be decided
Date of resolution of the share transfer plan at the extraordinary shareholders' meeting (each target subsidiary)	To be decided
Commencement date (Effective date)	January 23, 2023 (scheduled)

### (2) Form of Joint Share Transfer

Three DyDo DRINCO target subsidiaries and Three Asahi Soft Drinks target subsidiaries will become wholly owned subsidiaries, and NewCo will become the wholly owning parent company through joint share transfer.

### (3) Details of allotment related to Joint Share Transfer (Share Transfer Ratio)

Three DyDo DRINCO target subsidiaries

	DyDo Beverage Service	DyDo Beverage Shizuoka	DyDo Vending Japan
Share Transfer Ratio	40.273	5.742	1.3836

Three Asahi Soft Drinks target subsidiaries

	Asahi Soft Drink Sales	Kyushu Asahi Soft Drink Sales	Michinoku
Share Transfer Ratio	1	1.5113	0.61

\*1: Number of new shares of NewCo to be issued upon the Share Transfer (planned): Common stock: 72,000 shares

\*2: 40.273 shares for each share of DyDo Beverage Service, 5.742 shares for each share of DyDo Beverage Shizuoka, 1.3836 shares for each share of DyDo Vending Japan, 1 share for each share of Asahi Soft Drinks Sales, 1.5113 shares for each share of Kyushu Asahi Soft Drink Sales, and 0.61 shares for each share of Michinoku, respectively, to be allocated to NewCo

### (4) Handling of share acquisition rights and bonds with share acquisition rights in connection with Joint Share Transfer

DyDo Beverage Service, DyDo Beverage Shizuoka, DyDo Vending Japan, Asahi Soft Drinks Sales, Kyushu Asahi Soft Drink Sales, and Michinoku have not issued any stock acquisition rights or bonds with stock acquisition rights.

### (5) Dividends of Surplus

Prior to the joint share transfer taking effect, DyDo Beverage Service and DyDo Beverage Shizuoka plan to pay a dividend of a total of 1.8 billion yen to DyDo DRINCO.

## 7. Basis of Allotment of Shares upon Joint Share Transfer

### (1) Relationship with Valuation Institution

DyDo DRINCO retained SMBC Nikko Securities Inc. (hereinafter “SMBC Nikko”) as its exclusive financial advisor and obtained a valuation report (the “Valuation Report”) on the share transfer ratio as of September 14, 2022. SMBC Nikko is a third-party financial advisor of Dydo DRINCO who does not have any special relationship with, DyDo DRINCO, Three DyDo DRINCO target subsidiaries, Asahi Soft Drinks or Three Asahi Soft Drinks target subsidiaries.

### (2) Summary of Valuation

SMBC Nikko calculated the share transfer ratios for DyDo Beverage Service, DyDo Beverage Shizuoka, DyDo Vending Japan, Asahi Soft Drinks Sales, Kyushu Asahi Soft Drink Sales, and Michinoku using the public comparable company analysis and the discounted cash flow (DCF) analysis. The ranges of the number of Dynamic Vending Network shares to be allotted for each share of Three DyDo DRINCO target subsidiaries and Three Asahi Soft Drinks target subsidiaries are as follows:

#### Three DyDo DRINCO target subsidiaries

	DyDo Beverage Service	DyDo Beverage Shizuoka	DyDo Vending Japan
Public Comparable Company Analysis	22.0~28.0	5.0~6.2	1.6~1.9
DCF Analysis	30.3~47.1	3.9~6.0	1.3~1.8

#### Three Asahi Soft Drinks target subsidiaries

	Asahi Soft Drink Sales	Kyushu Asahi Soft Drink Sales	Michinoku
Public Comparable Company Analysis	1	1.5~1.8	0.5~0.7
DCF Analysis	1	1.2~1.8	0.5~0.7

There is no fiscal year in which a significant swing in profit was expected in the financial forecasts that was provided to SMBC Nikko as the basis for the DCF analysis. The financial projections were prepared based on the assumptions that the reorganization will be implemented, but did not include any synergies expected from the reorganization.

Note: For purposes of rendering the Valuation Report above, SMBC Nikko assumed that the materials and information provided to SMBC Nikko for the share transfer ratio calculation are accurate and complete. SMBC Nikko did not conduct any independent verification of the accuracy or completeness of any such materials or information and SMBC Nikko specifically disclaims any and all responsibility or obligation to verify the accuracy or completeness of any such materials or

information. SMBC Nikko has assumed that DyDo DRINCO, Three DyDo DRINCO target subsidiaries, Asahi Soft Drinks or Three Asahi Soft Drinks target subsidiaries are not aware of any facts or circumstances that would cause the information provided to be inaccurate or misleading. Furthermore, SMBC Nikko has not independently conducted any evaluation, appraisal, or assessment of the assets and liabilities of Three DyDo DRINCO target subsidiaries or Three Asahi Soft Drinks target subsidiaries and its affiliates on its own or in cooperation with other professionals. The analyses (in whole or any part) set out in the Valuation Report may be affected considerably in the event there are any deficiencies in the accuracy or completeness of any materials or information used in the preparation hereof. SMBC Nikko has assumed that there are no any undisclosed claims or liabilities including but not limited to those pertaining to lawsuits, disputes, environmental issues, or tax-related matters, etc., any undisclosed contingencies or off-the-book liabilities concerning Three DyDo DRINCO target subsidiaries or Three Asahi Soft Drinks target subsidiaries and its affiliates, and that there are no other undisclosed facts which could have a material impact on the contents of the Valuation Report including the analyses thereof. SMBC Nikko has assumed that the business plan and other materials provided to SMBC Nikko for use in the Valuation Report have been prepared by DyDo DRINCO or Asahi Soft Drinks on the best estimate and judgment as of the valuation date and in accordance with proper and reasonable procedures. SMBC Nikko may have made analyses in the Valuation Report under certain assumptions based on the provided data and information, on the premise that the provided data and information and the assumptions were all accurate and reasonable. SMBC Nikko does not independently conduct, nor assume any responsibility or obligation to conduct any research or examination as to the accuracy, validity, or feasibility of such presumed matters. Based on the request from DyDo DRINCO, SMBC Nikko submitted the Valuation Report as a reference for the sole purpose of assisting the Board of Directors of DyDo DRINCO determining the share transfer ratio to DyDo DRINCO. SMBC Nikko expresses no opinion with respect to the fairness of the share transfer ratio.

## **8. Overview of accounting treatments related to Joint Share Transfer**

The accounting treatment for the joint share transfer falls under the category of "acquisition" under the accounting standards for business combinations, and it is expected that the purchase method will be applied to DyDo DRINCO, a consolidated subsidiary of DyDo Group Holdings, as the acquiring company. The application of the purchase method is expected to result in goodwill (or negative goodwill) in DyDo Group Holdings' consolidated financial statements. However, the amount cannot be estimated at this time and will be announced as soon as the amount is finalized.

## **9. Outlook**

We believe that this agreement will generate synergies in terms of both sales and profits, but we are still examining the specific figures and will promptly announce any matters that need to be disclosed in the future.

## Comprehensive Business Alliance Agreement Concerning Vending Machine Business with DyDo DRINCO, Inc.

Creating synergies from the integration of direct sales channels in the vending machine business, cross-selling, the OEM strategy, and the collaboration in the environmental area

Asahi Soft Drinks Co., Ltd. (Head Office: Tokyo, President: Taichi Yoneme) has entered into a comprehensive business alliance agreement for vending machine business with DyDo DRINCO, Inc. (Head Office: Osaka, President: Takanori Nakashima), effective September 15, 2022.

The four contents of the agreement are the integration of direct sales channels in the vending machine business, cross-selling, the OEM strategy, and the collaboration in the environmental area.

In January 2023, Asahi Soft Drinks and DyDo DRINCO will newly establish Dynamic Vending Network, Inc. (hereinafter "NewCo"), which will operate vending machine business. At the same time, NewCo will be established through a joint stock transfer and make its subsidiaries DyDo Beverage Service, Inc., DyDo Beverage Shizuoka, Inc., and DyDo Vending Japan, Inc., which are DyDo DRINCO's 100% subsidiaries, and Asahi Soft Drink Sales Co., Ltd., Michinoku, Ltd., and Kyushu Asahi Soft Drink Sales, Ltd., which are Asahi Soft Drinks' 100% subsidiaries.

### 1. The integration of direct sales channels in the vending machine business

NewCo, which will be established through a joint stock transfer, will aim to integrate direct sales channels in the vending machine business, with developing mart operations utilizing IoT technology, in which DyDo DRINCO has expertise, to not only improve operational speed, quality control capabilities, and productivity, but also to solve the social issues of future labor shortages and retaining employment by reducing workloads.

### 2. Cross-selling

Both Asahi Soft Drinks and DyDo DRINCO have been mutually distributing their main brands. "Mitsuya Cyder" and "Calpis Water" have been vended in DyDo DRINCO's vending machines since March 2018, and "DyDo Blend Supervised by the World's Top Barista\*" has been vended in Asahi Soft Drinks' vending machines since March 2019.

"Wilkinson Lemon" and "Monster Energy" will be newly vended in DyDo DRINCO's vending machines, and "DyDo Blend Demitasse Premium" will be newly vended in Asahi Soft Drinks' vending machines from March 2023. We will expand contact with consumers of both companies' core brands through mutual products distribution to further increase drinking opportunities and enhance the attractiveness of purchases from vending machines.

### 3. The OEM strategy

Both Asahi Soft Drinks and DyDo DRINCO will continue to have discussions to reduce manufacturing costs by outsourcing the production of some of DyDo DRINCO brand products to Asahi Soft Drinks' plants around 2023 and beyond.

### 4. The collaboration in the environmental area

Both Asahi Soft Drinks and DyDo DRINCO will commit to efficient resource recovery and to solve social issues such as improving the horizontal recycling rate of PET bottles with the aim of reducing environmental impact.

#### ■ Overview of "NewCo"

Company Name	Dynamic Vending Network, Inc.
Location	2-2-7 Nakanoshima, Kita-ku, Osaka, Japan
Representative and Title	Katsuji Kasai
Business Description	Outsourcing / contracting vending machine operation services
Capital	JPY 50 million
Date of Foundation	23 January, 2023
Fiscal Period	20 January
Equity Position	DyDo DRINCO (66.6%), Asahi Soft Drinks (33.4%)

#### ■ (Reference) Overview of the six companies that will become part of NewCo

Name	DyDo Beverage Service, Inc.
Address	2-2-7 Nakanoshima, Kita-ku, Osaka, Japan
Name and title of representative	Kenichi Oohori, President and Representative Director

Name	DyDo Beverage Shizuoka, Inc.
Address	1-1 Tokumitsu, Fukuroi, Shizuoka
Name and title of representative	Toru Nagasawa, President and Representative Director

Name	DyDo Vending Japan, Inc.
Address	2887-2 Ryomitsuyanagi, Yonago, Tottori, Japan
Name and title of representative	Mitsuharu Noguchi, President and Representative Director

Name	Asahi Soft Drink Sales Co., Ltd.
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Address	7-12-14 Ueno, Taito-ku, Tokyo
Name and title of representative	Genichiro Endo, President and Representative Director

Name	Kyushu Asahi Soft Drink Sales, Ltd.
Address	3-14-1 Beppu, Shime-machi, Kasuya-gun, Fukuoka
Name and title of representative	Hitoshi Sasaki, President and Representative Director

Name	Michinoku, Ltd.
Address	3-84, Mizusawa Industrial Park, Mizusawa-ku, Oshu-shi, Iwate
Name and title of representative	Akinori Ueno, President and Representative Director